

Britain and EEC Membership 2

*Statement by British prime minister Harold Wilson, on the second British application for membership of the European Economic Community, House of Commons
London, 2 May 1967*

With permission, Mr Speaker, I should like to make a statement.

Her Majesty's Government have today decided to make an application under Article 237 of the Treaty of Rome for membership of the European Economic Community and parallel applications for membership of the European Coal and Steel Community and Euratom.

As the House will recall, I stated on 10 November last that my right hon. Friend the Foreign Secretary² and I would embark on 'a series of discussions with each of the Heads of Government of the Six, for the purpose of establishing whether it appears likely that essential British and Commonwealth interests could be safeguarded if Britain were to accept the Treaty of Rome and join EEC'.

These discussions took place between January and March. Since then, the Government have carried out an exhaustive examination of all the issues involved, resulting in the decision I have just announced.

The reports I have made to the House have made it clear that during the discussions in the Six capitals we were not engaged in negotiations. But my right hon. Friend and I, and indeed the House, have reason to be grateful to our hosts for the very frank exchanges which preceded today's decision.

These exchanges have enabled us to identify the major issues which we, for our part, shall wish to see settled in the negotiations.

On the Treaty of Rome itself, as I informed the House on 10 November, we have throughout our discussions taken the view that, as I then said, '... the Treaty of Rome is not in itself or necessarily an impediment. There are anxieties ... but the Treaty need not be an obstacle if our problems can be dealt with satisfactorily, whether through adaptations of the arrangements made under the Treaty or in any other acceptable manner'.

In short, again to quote, as I said then, 'the Government would be prepared - to accept the Treaty of Rome, subject to the necessary adjustments consequent upon the accession of a new member and provided that we receive satisfaction on the points about which we see difficulty'. Our discussions in the capitals of the Six have confirmed the validity of this approach in terms of the practical working of the Community and its institutions.

It is in this spirit that the Government intend to embark on the negotiations which must precede entry. The House will, I am sure, agree that they ought not to be unnecessarily complicated with lesser issues, many of which can be best dealt with after entry. It is our hope that the negotiations will be followed through swiftly, and will relate to the small number of really important issues which have been identified through our recent discussions, issues on which agreement should be reached if the House and the country are to be satisfied that essential British and Commonwealth interests will be safeguarded. This is the spirit in which the original partners to the Community conducted their own negotiations over 10 years ago. Our recent meeting with our EFTA partners has confirmed that they, too, view the matter in the same light. They will, we hope, also be making their approaches to EEC.

I turn now to the major issues which it must be our purpose to resolve during the negotiations. First, there are the problems associated with the operation of the common agricultural policy of the Community - the problems of its potential effects on the cost of living and on the structure and well-being of British agriculture; problems of the budgetary and balance-of-payments implications of its system of financing; and certain Commonwealth problems with which I will deal in a moment.

As I have already made clear publicly, we must be realistic and recognise that the Community's agricultural policy is an integral part of the Community; we must come to terms with it. But the Government recognise that this policy would involve far-reaching changes in the structure of British agriculture. This will require suitable arrangements, including an adequate transitional period, to enable the necessary adjustments to be made.

It is also the Government's view that the financial arrangements which have been devised to meet the requirements of the Community's agricultural policy as it exists today would, if applied to Britain as they now stand, involve an inequitable sharing of the financial cost and impose on our balance of payments an additional burden which we should not in fairness be asked to carry.

There are also highly important Commonwealth interests, mainly in the field of agriculture, for which it is our duty to seek safeguards in the negotiations. These include, in particular, the special problems of New Zealand and of Commonwealth sugar-producing countries, whose needs are at present safeguarded by the Commonwealth Sugar Agreement. We have, as the House knows, been in touch with all our Commonwealth partners, and will make special arrangements to keep in close consultation with them, as with our EFTA partners throughout the negotiations.

Again, as the House knows, capital movements raise questions of special importance. Our discussions suggest that these can be dealt with by suitable arrangements.

Another important issue is the question of regional policies. Here, too, we had to satisfy ourselves that we should be able, as members of the Community, to continue to take the necessary steps to ensure the industrial and social development of those areas of the country with which this House is always and rightly especially concerned. Our discussions with the Heads of the Governments of the Community, not least the information we were given about the policies currently being pursued by member countries, have reassured us on this score.

As I have said, these are major and important issues, but I can tell the House that the Government believe that there is nothing either in the Treaty of Rome or in the practical working of the Community which need make them insoluble.

Mr Speaker, I have gone into some detail about certain specific economic issues, on which hon. Members on both sides of the House are rightly concerned. But the Government's decision has been motivated by broader considerations of economic policy and still wider arguments to which I will turn later. On the economic arguments, each hon. Member will make his own judgement of the effect on exports and imports, on industrial productivity and investment. Equally every hon. Member must make his own assessment of the economic consequences of not going into the Community and, in an age of wider economic groupings, of seeking to achieve and maintain viability outside.

But all of us are aware of the long-term potential for Europe, and, therefore, for Britain, of the creation of a single market of approaching 300 million people, with all the scope and incentive which this will provide for British industry, and of the enormous possibilities which an integrated strategy for technology, on a truly Continental scale, can create. I am glad to say that my right hon. Friend and I found that this concept has made a great impact throughout Europe.

But whatever the economic arguments, the House will realise that, as I have repeatedly made clear, the Government's purpose derives, above all, from our recognition that Europe is now faced with the opportunity of a great move forward in political unity and that we can - and indeed must - play our full part in it.

We do not see European unity as something narrow or inward-looking. Britain has her own vital links through the Commonwealth, and in other ways, with other continents. So have other European countries. Together we can ensure that Europe plays in world affairs the part which the Europe of today is not at present playing. For a Europe that fails to put forward its

full economic strength will never have the political influence which I believe it could and should exert within the United Nations, within the Western Alliance, and as a means for effecting a lasting détente between East and West; and equally contributing in ever fuller measure to the solution of the world's North-South problem, to the needs of the developing world.

It is for all these reasons that we intend to pursue our application for membership with all the vigour and determination at our command.

The House will, of course, wish to debate this decision at the earliest opportunity and arrangements will be made for a three-day debate next week, when the House will be invited to pass a motion approving this present statement, which will be presented as a White Paper. We shall seek to meet the requirements of Parliament for the fullest possible information over the coming weeks. A first paper dealing with agriculture will be available later this week and we shall take the opportunity of the debate, and of further White Papers which will be laid, to enable Parliament, and public opinion generally, to form a full, fair and informed judgement of the great issues involved.

For all of us realise that this is a historic decision which could well determine the future of Britain, of Europe, and, indeed, of the world, for decades to come.